GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2021
ANSWERED ON:05.08.2005
TAKING OVER OF BANKS BY SBI
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Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has taken over a bank in Mauritius recently and proposed to take over some more banks shortly;

(b) if so, the details thereof;

(c) whether the foreign banks so taken over are profitable banks;

(d) if so, the financial health of the banks; and

(e) the extent to which taking over banks would help in growth of SBI?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a) &(b) State Bank of India (SBI) has acquired 51% equity stake with management control in Indian Ocean International Bank Ltd (IOIB) in Mauritius. Presently, SBI has no other proposal for acquisition in Mauritius.

(c) & (d) : IOIB has been profitable during the last three years and earned a net profit of Mauritius Rupee 33.44 Million as on 30th June 2005 and had a capital adequacy ratio of 23.98%.

(e) The acquisition of IOIB has given an existing profit making platform to SBI for launching retail banking and other products in the Mauritius market.